## **ABSTRACT**

A video display appliance capable of adjusting a sub-picture independent from a main picture using an on-screen display menu in PIP mode and a method thereof are disclosed. The video display appliance includes a key input unit, provided with menu selection keys, vertical and horizontal adjustment buttons for adjusting the level of a selected menu, for receiving an input of a specified key signal, a main-picture signal processing unit for processing a main-picture signal inputted from an outside source in the form of a signal that can be outputted to a display unit, a sub-picture signal processing unit for processing a sub-picture signal inputted from an outside source in the form of a signal that can be outputted to the display unit, a micro-controller for controlling operations of respective constituent elements of the video display appliance, a PIP processing unit for superimposing a sub-picture signal outputted from a memory unit on the main-picture signal outputted from the main-picture signal processing unit, and an on-screen display (OSD) output unit for outputting an OSD menu in superimposition on the signal outputted from the PIP processing unit under the control of the micro-controller. The micro-controller outputs a sub-picture OSD adjustment menu for adjusting the sub-picture in the form of an OSD to the OSD output unit.